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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
Administration of the North) CC Docket No. 92-237
American Numbering Plan) Phases One and Two
)

COMMENTS OF AT&T

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SUMMARY

Based on comments the Commission has received in this docket, it has released this Notice of Proposed Rulemaking ("NPRM") to address the future administration of the North American Numbering Plan ("NANP") and certain related numbering resource issues.

Significantly, the Commission correctly recognizes that requiring "1+" presubscription for interstate intraLATA toll calls would increase competition and thereby benefit consumers. Moreover, it would alleviate an unnecessary and anomalous inconsistency in the Commission's rules, which have long -- and very successfully -- mandated a presubscription scheme for other interstate calling. AT&T strongly urges the Commission to permit customers to choose their carrier for all interstate traffic, so that interstate intraLATA toll calls will also be routed to a customer's presubscribed carrier. The Commission should also direct that a nationwide, uniform 1+ ten-digit dialing plan be implemented for toll calling to provide customers with consistent, easy to understand dialing protocols for toll calls from anywhere in the country.

AT&T also supports the planned expansion of Carrier Identification Codes ("CIC") from three to four digits, and in particular, the Commission's recognition of the need for a significant transition period within which to accomplish this change. The Commission's proposed six-year transition period should serve as a minimum, however, with

the market determining if in fact a longer period is required.

Finally, AT&T fully supports the Commission's proposal to promptly establish a non-government entity to replace Bell Communications Research Corporation ("Bellcore") as the NANP Administrator ("NANPA"), a function Bellcore has performed since 1984. AT&T has actively participated in industry discussions of this issue for more than a year. As these comments show, the new NANP administration organization should consist of an Oversight Committee to develop and adopt major numbering policies, an NANPA that would functionally administer numbering resources under the guidance of the Oversight Committee, and an Industry Numbering Group that would include subcommittees responsible for technical support for specific numbering issues. In addition, a sponsor organization would provide logistical support and coordination, including secretarial services, for the numbering organization.

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AT&T Corp. ("AT&T") hereby submits its comments on the Notice of Proposed Rulemaking in CC Docket No. 92-237, released April 4, 1994.¹

INTRODUCTION

The Commission opened this docket in October 1992 with a Notice of Inquiry ("NOI") to explore issues pertaining to the future administration of the North American Numbering Plan ("NANP").² Phase I of the NOI

¹ In the Matter of Administration of the North American Numbering Plan, Notice of Proposed Rulemaking, CC Docket No. 92-237, FCC 94-79, released April 4, 1994 ("NPRM").

² In the Matter of Administration of the North American Numbering Plan, 7 FCC Rcd. 6837 (1992). Since 1984, Bell Communications Research Corporation ("Bellcore") has served as the NANP Administrator ("NANPA"). In this capacity, Bellcore administers the integrated numbering plan for World Zone 1 ("WZ1"), that covers the United States and seventeen other countries. The functions of the administrator include: assignment of numbering resources; monitoring the availability of these resources; and participation in industry, national and international standards bodies.

addressed the identification of an appropriate entity to administer the NANP, how NANP administration should be funded in the future, and how administration of the NANP might be improved. Phase II of the NOI addressed the costs, benefits, and technical issues associated with expanding Feature Group D ("FG D") Carrier Identification Codes ("CICs") from a three-digit to a four-digit format.

Implicit in both the NOI and the NPRM is the correct recognition that, increasingly, customer and carrier access to, use of, and control over numbering resources and numbering or dialing plans could significantly affect the availability of competitive services to customers and the ability of service providers to compete. Now more than ever, it is thus critical that the administration of numbering resources, and decisions as to their use, be accomplished in as fair and procompetitive a manner as possible.

Consistent with the growing competitive significance of numbering issues, the NPRM has recognized (paras. 55-58) that the current lack of 1+ presubscription for interstate intraLATA toll traffic unnecessarily impairs competition for this traffic, and harms consumers by, for example, defeating customer expectations as to which carrier will be carrying the call. As shown below, requiring presubscription for all interstate intraLATA toll calls is a first step toward the introduction of meaningful competition

in this market and should be implemented without any additional delay.

AT&T also supports implementation of the industry-developed CIC expansion plan (NPRM, para. 50). The NPRM recognizes (id.) that a transition period is necessary to permit subscribers to use both three- and four-digit FG D CICs, because a "flash cut" conversion of all network switches and customer equipment is not feasible. The six-year transition period proposed in the NPRM (para. 54), however, is the minimum period that would be appropriate and the Commission should ensure that the market can determine if a longer period is necessary.

Finally, AT&T agrees that the Commission should promptly establish a single, non-government entity to perform the NANP administrative function, subject to continuing Commission oversight (NPRM, paras. 11-18). As described below, in the last year the industry has made much progress in outlining the future structure of the organization that would be necessary to administer the NANP. These industry discussions provide an appropriate framework for the Commission's decisions here, and reaffirm the importance of impartial and equitable administration of critical numbering resources to help ensure the continued growth of competition in communications markets.

I. CUSTOMERS MUST BE PERMITTED TO CHOOSE THEIR CARRIER FOR ALL INTERSTATE TRAFFIC, INCLUDING INTRALATA.

As the NPRM correctly observes (para. 55), although customers have been able to choose, through presubscription, their preferred interexchange carriers for interstate interLATA calls, customers have been denied the ability to choose their carriers for interstate intraLATA toll calls. As a result, the incumbent LEC automatically retains and completes these interstate intraLATA calls, without regard to customers' choice of interexchange carrier. No reasoned argument can be made why these restrictions on customer choice for interstate intraLATA service should continue.

To the contrary, the current lack of 1+ presubscription for these calls creates an anomolous inconsistency with the existing Commission rule, which has long and successfully required presubscription for all other interstate calling. The results of this rule have been dramatic and substantial for customers and competitors alike. Requiring 1+ presubscription for interstate intraLATA toll calls would similarly provide the opportunity, for carriers that choose to offer such service, to compete more broadly than is currently possible. This increased competition could stimulate the entry of new carriers in certain markets. And as the Commission has repeatedly found, increased competition should result in

lower prices, higher quality services, and more choice for customers.³

The NPRM (para. 57) identifies a number of additional concerns with the current single-provider (LEC) system for intraLATA traffic. In addition to stifling competition, customers may be misled, thinking that by selecting an interexchange carrier, at a minimum, all of their interstate calls will be handled by that carrier. Not only will the call not be handled by the carrier the customer thought it chose, but it could well result in charges for the call "substantially higher than would have been charged if the call had been turned over to the customer's presubscribed interLATA IXC."⁴

³ Requiring presubscription for all intraLATA toll calls is an important first step to introduce effective competition in this business. To ensure full and fair competition, however, additional steps would also have to be taken, including, for example, requiring cost-based access rates and requiring that LECs impute to their rates for intraLATA toll service the same access charges that are imposed on other carriers. These other steps can and should be addressed promptly in Commission and state proceedings, but there is no reason not to take the critical first step now, by extending the presubscription rules to interstate intraLATA toll calls.

⁴ NPRM, para. 57 (footnote omitted). And there should be no technological reason not to require intraLATA presubscription. For example, the software package required to update network switches manufactured by AT&T to implement FG D CIC expansion, which LECs are currently deploying, has available the software necessary to provide intraLATA presubscription.

In addition, the Commission requests comments on Ad Hoc's suggestion (NPRM, para. 43) that a nationwide uniform dialing plan be implemented for toll calling. Such a plan would be another important step toward more equal competition among carriers; and in fact, 43 states have already adopted 1+ ten-digit dialing for intraLATA, home NPA toll calls. The absence of a uniform dialing plan, in particular, potentially eliminating the digit "1" as a toll indicator, impairs customers' ability to distinguish between local and toll calls. See id. As a result, customers may inadvertently incur unintended toll charges.

Having the same 1+ ten-digit dialing plan for all toll calls would benefit all customers by providing a consistent, simple, easy to understand and remember method of dialing calls from anywhere in the country. Such 1+ ten-digit dialing would also simplify the operation of CPE features and functions, for example, toll restrictions. AT&T thus supports adopting a nationwide uniform 1+ ten-digit dialing plan for toll calling.⁵

⁵ The Commission should require uniform 1+ ten-digit dialing for all interstate toll calls, and should consider whether it can require such dialing for all intrastate toll calls as well on the basis of its plenary jurisdiction ("[t]elephone numbers are an indispensable part of the 'facilities and regulations' for operating these 'through routes' of physical interconnection between carriers and are therefore subject to our plenary jurisdiction under the Act." NPRM, para. 8 (footnote omitted)).

II. THE MARKET SHOULD DETERMINE THE APPROPRIATE
TRANSITION PERIOD FOR THE EXPANSION OF CIC CODES
FROM THREE TO FOUR DIGITS.

The Commission has determined (NPRM, para. 50) that the planned expansion of CIC codes used for FG D access is reasonable and should be implemented as scheduled in the first half of 1995. The Commission also recognizes (id. at para. 54), however, that a sufficient transition period is required to "reduce -- even to the point of virtually eliminating -- the hardships imposed on pay phone providers, manufacturers, and PBX users." The Commission tentatively concludes (id.) that a six-year transition period would be appropriate.

In response to the NOI, commenters demonstrated why an extended transition period is required, well in excess of the 18-month period suggested by Bellcore, to accommodate required equipment modifications. For example, conversion to 101XXXX carrier access code dialing would be particularly complicated for private pay phone manufacturers and operators, requiring an extensive modification effort at significant cost.⁶ As AT&T showed, many customers will have similar concerns regarding their customer premises equipment ("CPE").⁷ Customers with PBXs, for example, would have to purchase and implement modifications (software and hardware)

⁶ Id. at para. 49.

⁷ AT&T Reply Comments, CC Docket No. 92-237, Phase 2, filed January 27, 1993, p. 4 ("AT&T Reply").

to permit them to dial expanded CICs. AT&T estimates that the cost to its PBX customers would range up to \$15,000 for each PBX to add the necessary modifications, depending on the type and age of the equipment. Based on previous customer buying behavior, it will take more than six-and-a-half years before all AT&T PBX users have CPE in place that will work with expanded CICs.⁸ Given these facts, and the concerns expressed by customers, it would appear that a six-year transition period is the minimum acceptable, and the marketplace demand for additional CICs should ultimately determine the length of the necessary transition period.⁹

III. AN IMPARTIAL, WORLD ZONE 1 NUMBERING ORGANIZATION
SHOULD BE ESTABLISHED PROMPTLY TO ADMINISTER THE NANP.

AT&T agrees fully with the Commission's tentative conclusion that an impartial, industry-driven entity should be established promptly to perform NANP administration. As the comments filed in response to the NOI confirmed, equitable administration of critical number resources will

⁸ As AT&T explained in its reply comments on the NOI (AT&T Reply, p. 4), unless there is extensive customer education about the need for CPE upgrades to accommodate CIC expansion, it could take longer to implement the necessary modifications.

⁹ The current industry plan, which recognizes the need for a transition period, allows the assignment of 2000 four-digit codes while still permitting the use of existing 10XXX dialing for the users of networks assigned three-digit CICs. Thus, until all of the initial 2000 four-digit codes have been assigned, it would not be necessary to require 101XXXX dialing.

help ensure the continued introduction of competitively offered, innovative new services, and will provide a further stimulus for the continued growth of healthy competition.

Since the NOI, Bellcore has notified the Commission "that it desires to relinquish administration of the NANP,"¹⁰ and more significantly, the industry -- through the Future of Numbering Forum ("FNF") -- has reached consensus on a number of questions concerning NANP administration. As the NPRM recognizes (para. 6 n.9), the FNF was established to consider Bellcore's 1992 proposal on the future of numbering in World Zone 1. Since its first meeting in March of 1993 (open to all industry participants and attended by representatives from a broad cross-section of the telecommunications industry), the FNF focused primarily on the future organization and structure of NANP planning and administration. Through copies of the minutes of the FNF meetings, FNF has kept the Commission informed of the progress that has been made in defining NANP administration after Bellcore.

AT&T supports the agreement reached at FNF that a World Zone 1 Numbering Organization ("WZ1NO") should be established. AT&T believes this organization should be composed of three components (see Appendix 1), which in combination would perform all of the functions necessary to

¹⁰ NPRM, para. 6.

administer the NANP, with autonomy where appropriate to avoid claims of bias in the administration of critical numbering resources. Specifically, WZ1NO would consist of:

- (i) a NANP administrator that would be responsible for administering number assignments in accordance with specific guidelines and directives of an Oversight Committee;¹¹
- (ii) the Oversight Committee, which would be an industry body open to all interested private and government parties, to develop and adopt major numbering policies;¹² and
- (iii) the ING, which includes a number of subcommittees that would provide technical support and resolve questions concerning the use of and guidelines for discrete numbering resources. In addition, a "sponsor" organization would be responsible for providing logistical support and coordination, and secretarial services for the numbering organization.¹³

There was also general agreement within FNF, and AT&T therefore urges, that the Oversight Committee should

¹¹ Central Office ("CO") code assignment functions should also be centralized within the NANP administrator, as suggested in the NPRM (para. 29).

¹² For example, policies that are highly contentious or those that would be precedent setting. In developing these policies, the Oversight Committee would be supported by the Industry Numbering Group ("ING").

¹³ The Alliance for Telecommunications Industry Solutions ("ATIS") has volunteered to perform this role and FNF agreed that it would be a suitable party to perform these functions.

rely on consensus to arrive at decisions. There was extensive discussion within FNF that in the absence of consensus, an intermediate alternative dispute resolution ("ADR") process could be employed before the Commission is called on to resolve disputes. Under the new, open WZ1NO, with participation by the Commission and other regulatory bodies, AT&T believes it is likely consensus may be achieved more easily than it has been in some existing industry groups.

Nonetheless, it would be appropriate to identify an ADR process that could be used before disputes are brought to the Commission. Although the Commission's current ADR process may not be appropriate to resolve certain policy questions,¹⁴ in those situations, other ADR processes could be appropriate. ADR would be appropriate, for example, where the Oversight Committee has successfully narrowed the issues to a choice between two alternatives, where two distinct parties or industry groups are unable to resolve a particular disagreement, or where implementation disputes arise that require expedited resolution. WZ1NO should establish guidelines requiring that if the Oversight Committee is unable to reach consensus in a certain amount

¹⁴ See, e.g., In the Matter of Use of Alternate Dispute Resolution Procedures in Commission Proceedings and Proceedings in which the Commission is a Party, 6 FCC Rcd. 5669, 5671 (1991); 7 FCC Rcd. 4679 (1992).

of time (e.g., six months), the issue would be presented to an arbitrator for decision. Ultimately, all parties could continue to address concerns directly to the Commission, through a complaint proceeding or otherwise.¹⁵

With respect to funding for the WZ1NO, AT&T generally supports the principles that were identified by the FNF funding subgroup.¹⁶ Appropriate principles include:

- All users of NANP resources should share in the funding of the WZ1NO, uniformly and without discrimination.
- The cost of administering the funding mechanism should not outweigh the benefit of any funding method.
- The funding mechanism should continue to support the current integrated WZ1 structure.
- If funding is mandatory, a penalty should apply for non-payment.
- Funding must be sufficient to support an appropriately staffed and qualified NANP administrator.

¹⁵ NPRM, para. 25.

¹⁶ In addition, after discussion that included input from Bellcore on current staffing requirements, an estimated first year budget of \$2 million to administer the NANP was proposed at the fourth meeting of the FNF.

- The method of funding should consider the manner in which costs are generated (e.g., recurring and nonrecurring).
- The funding method should encourage efficient and effective use of numbering resources.
- The funding method should be incentive neutral to the WZ1NO.
- Members who participate in WZ1NO meetings should bear the costs of their participation, as they do today at industry forums.

AT&T would not object to having the National Exchange Carrier Association ("NECA") perform the function of implementing the funding mechanism, given its current experience managing industry-wide support funds (e.g., Universal Service Fund, Lifeline Assistance, Telecommunications Relay Services ("TRS")).¹⁷ It would not appear to be necessary, however, to implement Commission fees (NPRM, para. 32) to cover the Commission's expenses for oversight of the NANP. Rather than having separate fees

¹⁷ To the extent that a wide spectrum of industry participants contributes to an existing fund (e.g., TRS), such a fund might provide an appropriate vehicle for NANP administration funding. Further, if such a fund currently contained surpluses, it may be appropriate to use such surpluses to finance number administration. This would be particularly true if the required funding is such that it could reasonably be covered by such surpluses. This would obviate the need to create an entirely new funding mechanism and the administrative infrastructure required for its implementation.

paid to the Commission by carriers or other numbering resource users, the Commission's expenses, which should be minimal, could be covered by one annual fee assessed on the WZ1NO as a whole, and paid by NECA out of the funds received for numbering administration.

As the Commission correctly observes, "the evolution of telecommunications technology and the national information infrastructure [will] . . . make[] successful administration [of the NANP] even more critical to this Commission's goal of rapid, efficient wire and radio communications services worldwide."¹⁸ Adoption of the WZ1NO described above, developed after extensive discussions within the industry, will provide the NANP administration necessary to achieve the Commission's goals.

¹⁸ NPRM, para. 27 (footnote omitted).

CONCLUSION

For all these reasons, the Commission should require that interstate intraLATA toll calls be delivered to the customer's presubscribed interexchange carrier, and require nationwide, uniform 1+ ten-digit dialing for all toll calling. Further, the Commission should find that the transition period for the conversion from three- to four-digit CIC codes will be a minimum of six years, and possibly longer if market forces require. Finally, the Commission should direct that a W21NO be established to ensure the availability of critical numbering resources for existing and new services.

Respectfully submitted,

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World Zone 1 Numbering Organization

